

Risk Management/Safety provides programs of loss prevention and loss management by planning for contingencies, providing prudent insurance coverage, reviewing loss experience, and advising management on opportunities for safety improvement. This office also reduces the risk of illness or injury to all employees by developing, implementing and improving programs that provide training, technical guidance and support while ensuring adherence to federal and state regulations.

2003/04 Operational Highlights:

- Prepared and issued a Request For Proposals (RFP) for administration of the City's Comprehensive Insurance Program, including workers' compensation third party administration.
- Initiated comprehensive reviews of city insurance coverage and the cost allocation system.
- Completed a data sharing system for risk assessment of city operations.
- Established a union/management focus group to examine financial issues and develop solutions within both health funds.

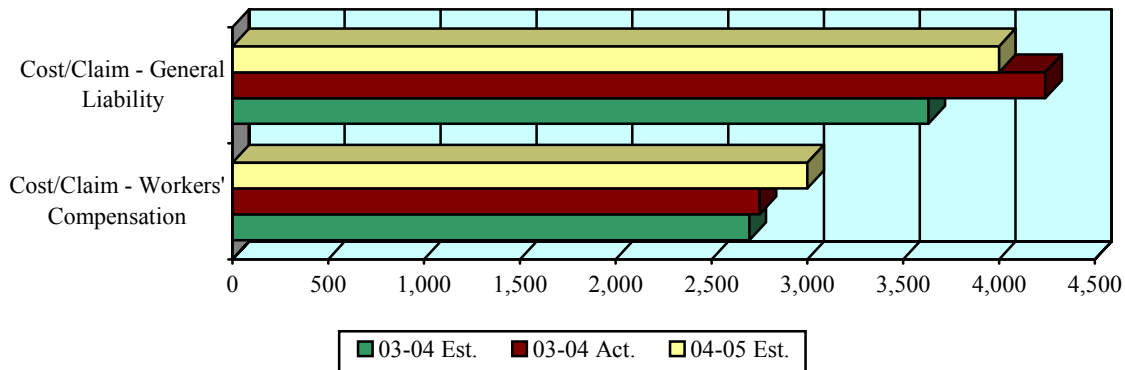
2004/05 Goals and Objectives:

- Resolve deficit issues within the Retiree Health Fund while decreasing the long-term liability exposure for both the Active Employee Health and Retiree Health Funds.
- Compile a set of policies relating to employee safety and provide ongoing safety training to employees to reduce injuries and losses.
- Develop a database program to track employee training and required vaccinations.
- Decrease claims processing turnaround time, settling all claims promptly.
- Reduce on-job injuries and workers' compensation claims through improved safety practices.
- Continue to maintain prudent and cost-effective insurance coverage for all city operations.

Budget Commentary:

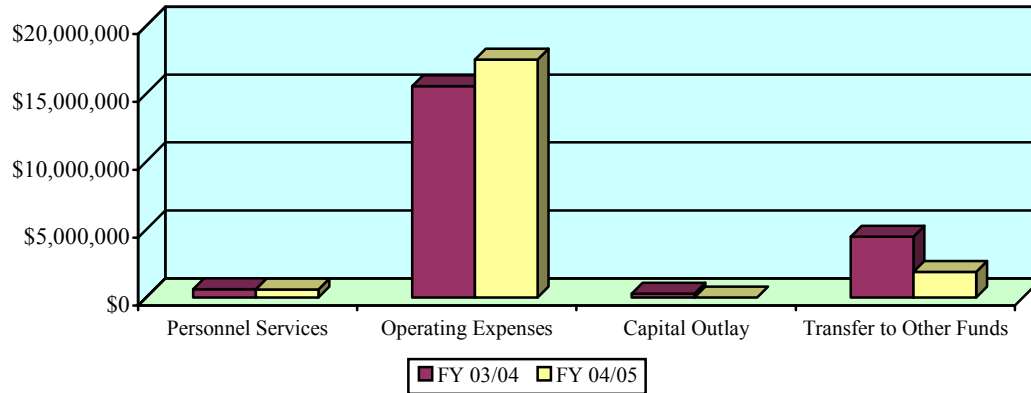
The Risk Management/Safety operating budget of \$19,981,479 is supported by the Risk/Safety Administration Fund (6101); the Insurance Claims Fund (6104); the Benefits Administration Fund (6106); the Santa Fe Health Fund (6107); the Retiree Health Care Fund (6108); and the Workers' Compensation Fund (6109). The operating budget includes funding for nine staff members and associated benefits. The majority of the appropriations for Risk Management/Safety are for various types of insurance coverage. Also included are various contracted services for benefits plan administration, legal contingencies, and actuarial fees.

<u>Standard Program Measurements:</u>	<u>03/04</u> <u>EST.</u>	<u>03/04</u> <u>ACTUAL</u>	<u>04/05</u> <u>EST.</u>
1. Number of claims – general liability	240	232	225
2. Cost per claim – general liability	\$3,632	\$4,242	\$4,000
3. Number of claims – workers' compensation	228	214	205
4. Cost per claim – workers' compensation	\$2,697	\$2,751	\$3,000
5. Drug/alcohol tests conducted	518	361	350
6. Number of employees given OSHA-mandated training	1,585	486	500



<u>POSITION/CLASSIFICATION</u>	<u>FY 03/04</u> <u>ACTUAL</u>	<u>FY 04/05</u> <u>BUDGET</u>
Drug/Alcohol Testing Program Mgr	1 – CLFT	1 – CLFT
Benefits Accountant	1 – CLFT	1 – CLFT
Claims Administrator	1 – CLFT	1 – CLFT
Contract Administrator	1 – CLFT	1 – CLFT
Human Resources Assistant	1 – CLFT	1 – CLFT
Insurance Specialist	1 – CLFT	1 – CLFT
Safety Specialist	<u>3</u> – CLFT	<u>3</u> – CLFT
TOTAL:	9	9

EXPENDITURE CLASSIFICATION



	FY 03/04 REVISED	FY 04/05 APPROPRIATION
Personnel Services	\$ 615,209	\$ 593,917
Operating Expenses	15,557,828	17,512,562
Capital Outlay	292,579	0
Transfer to Other Funds	<u>4,476,235</u>	<u>1,875,000</u>
 TOTAL:	 \$ 20,941,851	 \$ 19,981,479